

# **Example 4 - Greenhouse Gas PSD Applicability Example Determination Calculations**

## **Natural Gas Compressor Stations**

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**Example Scenario 4**: A company wants to add one engine to existing natural gas compressor station facility. The existing facility allowable emissions are greater than 250 tons per year of a criteria pollutant (e.g.,  $NO_x$ ). For this hypothetical example, let's assume that the existing facility potential to emit (PTE) for carbon dioxide equivalent ( $CO_2e$ ) is less than 100,000 tons per year and the PTE for greenhouse gas (GHGs) emissions is greater than 250 tons per year.

## STEP #1 – Identify Emitting Unit Added to the facility

• Add one (1) 800 Brake Horsepower (bhp) Compressor Engine

## STEP #2 – Calculate Potential Increase in Emissions from Engine

For this example, let's assume increase in emissions for each of the following criteria pollutants are as follows:

 $PM_{10} = 0.26$  tons per year (tpy) CO = 13.90 tpy  $NO_x = 115.87$  tpy  $SO_x = 0.02$  tpy VOC = 1.54 tpy

# STEP #3 – Determine PSD Applicability for Criteria Pollutants

Based on the hypothetical PTE calculations above, the proposed modification increased  $NO_x$  emissions above significant levels.

## STEP #4 – Determine PSD Applicability for GHGs and Calculate PTE for GHGs

In this step we will need to calculate the potential emissions for the applicable GHGs to determine PSD applicability. GHGs listed in the final rule include carbon dioxide  $(CO_2)$ , methane  $(CH_4)$ , nitrous oxide  $(N_2O)$ , hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride  $(SF_6)$ . (Note: Some of these GHGs have a higher global warming potential (GWP) than the others so they are expressed in  $CO_2$  equivalents  $(CO_2e)$  in order to help standardize the evaluation of GHGs and determine if a facility is covered by a permitting program.)

For this hypothetical example, however, we will focus on the stationary combustion sources (e.g., as the natural gas compressor engines and reboilers) in which  $CO_2$ ,  $CH_4$ , and  $N_2O$  are the GHGs that are formed during the combustion process.



In general, there two basic approaches that may be used to estimate greenhouse gases from a combustion source.

- 1.) Direct measurement (e.g., CEMS).
- 2.) Calculation based method.
  - a.) Fuel analysis approach.
  - b.) Generalized approach (e.g., emission factors).

For this example scenario, let's focus on a generalized approach using emission factors for stationary combustion sources.

# **Generalized Approach**

# **Example Greenhouse Gas Emission Factors for Natural Gas Combustion:**

- 116.87 lb/MMBtu for CO<sub>2</sub>
- 0.011014 lb/MMBtu for CH<sub>4</sub>
- 0.000022 lb/MMBtu for  $N_2O$

(Source: Inventory of U.S. Greenhouse Gas Emissions and Sinks, April 2008. U.S. EPA.) (Note: Emission factors can likely be obtained from a variety of sources so make sure you reference and/or justify them, as appropriate.)

# **Global Warming Potentials**:

- Carbon dioxide  $(CO_2) = 1$
- Methane  $(CH_4) = 21$
- Nitrous oxide  $(N_2O) = 310$

(Source: Table A-1, CFR Title 40, Part 98, Subpart A)

# **Miscellaneous Assumptions:**

- 1. Natural Gas Compressor Engines Fuel Consumption = 8500 Btu/hp-hr @ Maximum Design Capacity
- 2. Reboilers Fuel Consumption = 256 MBtu/hr @ Maximum Design Capacity
- 3. Natural Gas Heat Value = 1020 Btu/scf

# **Calculations:**

The GHG emissions calculations will be completed by calculating the  $CO_2$  emissions and converting the  $CH_4$  and  $N_2O$  to their  $\underline{CO_2e}$  and summing the  $\underline{CO_2e}$  for each GHG.

## **Emitting Unit #1: Natural Gas Compressor Engines**

Fuel Consumption:

800-hp \* 8500 Btu/hp-hr \* 1/1020 Btu/scf \* 1 Mscf/1000 scf = 6.67 Mscf/hr = 160 Mscf/day = 58,400 Mscf/yr =  $\frac{58.4 \text{ MMscf/yr}}{1000 \text{ Mscf/yr}}$ 



#### Heat Produced:

 $58.4 \text{ MMscf/yr} * 1020 \text{ Btu/scf} * 1,000,000 \text{ scf/1MMscf} = 59,568,000,000 \text{ Btu/yr} = \underline{59,568} \text{ MMBtu/yr}$ 

#### Carbon Dioxide (CO<sub>2</sub>):

 $116.87 \text{ lb/MMBtu} * 59,568 \text{ MMBtu/yr} * 1 \text{ ton/}2000 \text{ lb} = 3,480 \text{ tons/yr of } CO_2$ 

## Methane (CH<sub>4</sub>):

0.  $0.011014 \text{ lb/MMBtu} * 59,568 \text{ MMBtu/yr} * 1 \text{ ton/2000 lb} = 0.328 \text{ tons/yr} \text{ CH}_4$ 

#### Nitrous Oxide $(N_2O)$ :

0.000022 lb/MMBtu 59,568 MMBtu/yr \*1 ton/2000 lb = 0.00066 tons/yr  $N_2O$ 

## **Total GHG Emissions for Compressor Engines on a Mass Basis:**

3,480 tons/yr of CO<sub>2</sub>+ 0.328 tons/yr CH<sub>4</sub> + 0.000066 tons/yr N<sub>2</sub>O =  $\underline{\textbf{3,480 tons/yr}}$  of GHGs on a mass basis

## Total Emissions of carbon dioxide equivalent (CO<sub>2</sub>e):

#### Carbon Dioxide (CO<sub>2</sub>e):

 $116.87 \text{ lb/MMBtu} * 59,568 \text{ MMBtu/yr} * 1 \text{ ton/2000 lb} = 3,480 \text{ tons/yr of CO}_2$ 

## Methane (CO<sub>2</sub>e):

 $CH_4$  in tons/yr \* GWP for  $CH_4 = CO_2e$  for  $CH_4$  0.328 tons/yr  $CH_4$  \*  $21 = \underline{6.88 \text{ tons/yr } CO_2e}$ 

## Nitrous Oxide (CO<sub>2</sub>e):

 $N_2O$  in tons/yr \* GWP for  $N_2O = CO_2e$  for  $N_2O$  0.000066 tons/yr  $N_2O$  \* 310 = 0.02 tons/yr  $CO_2e$ 

## **Sum the Total CO<sub>2</sub>e Emissions:**

 $CO_2e$  emissions for the compressor engines = 3,480 tons/yr  $CO_2e$  + 6.88 tons/yr  $CH_4$  ( $CO_2e$ ) + 0.02 tons/yr  $N_2O$  ( $CO_2e$ ) = 3,487 tons/yr  $CO_2e$ 

## **Applicability PSD Analysis Overview:**

Question #1: Does this permit action result in a net increase of any criteria pollutant above PSD significant emission rates (SER)?

Yes, potential  $NO_x$  emissions are greater than the significance threshold so a PSD analysis for  $NO_x$  would be required for this proposed permit action.

Question #2: Does this permit action have GHG emissions above the PSD threshold on a mass basis?

Yes, the GHGs emissions on a mass basis are approximately 3,480 tpy.



Question #3: Does this permit action result in CO<sub>2</sub>e emissions above the PSD threshold?

No, the CO<sub>2</sub>e emissions of 3,487 tpy are less than the 75,000 tpy CO<sub>2</sub>e threshold.

If the answer to Questions #2 and #3 are both "Yes", than GHGs must undergo a PSD review based on the following:

- 1. If the permit department decision occurs before January 2, 2011, GHGs are not required to be addressed in the PSD review.
- 2. If the permit department decision occurs between January 2, 2011 and July 1, 2010, GHGs must be included in the PSD review if any criteria pollutants are above significant levels.
- 3. If the permit department decision occurs on or after July 1, 2010, GHGs must be included in the PSD review along with any criteria pollutants above significant levels.

Question #4: For this example, what if the criteria pollutant NO<sub>x</sub> was less than the significance threshold and CO<sub>2</sub>e was above the threshold?

Department decisions on or after July 1, 2010, GHGs must undergo a PSD analysis.

# **Title V Applicability Analysis/Overview:**

Question #1: Is the facility an existing Title V facility?

Question #2: Are the potential emissions of GHGs greater than 100 tons per year?

Question #3: Are the potential emissions as CO<sub>2</sub>e greater than 100,000 tons per year?

If the answer to Questions #1, #2, and #3 is "Yes", a Title V permit action to address GHGs are described in the following scenarios.

- A department decision occurring before January 2, 2011, would <u>not</u> require GHGs to be addressed in the Title V permit.
- A department decision occurring after January 2, 2011, <u>must</u> address GHGs in the Title V permit.
- A department decision occurring after July 1, 2011, <u>must</u> address GHGs in the Title V permit.





If the answer to Questions #2 and #3 is "Yes", a Title V permit action to address GHGs are shown as follows:

- A department decision occurring before January 2, 2011, would <u>not</u> require GHGs to be addressed in the Title V permit.
- A department decision occurring after January 2, 2011, would <u>not</u> require GHGs to be addressed in the Title V permit.
- A department decision occurring after July 1, 2011, would require GHGs to be addressed in the Title V permit.